

# The Delaware Department of Insurance Informs Delawareans on Managing the Claims Experience and Rebuilding After a Loss

Dover – The process of reconstructing your home following a loss can be long and laborious. Often before you can begin rebuilding, you have to navigate the insurance claims process. The Delaware Department of Insurance is aware of the fact that consumers are often confused and stressed by the claims process, and offers this summary to help manage the experience.

## Filing a Claim

- Call the company or visit a mobile claims center to start your claim. If you cannot locate the company or agent's number, call the consumer services division at the Delaware Department of Insurance at 1-(800)-282-8611.
- While your first instinct following a disaster may be to start cleaning up, it is important for your insurer to have an accurate account of the destruction. Before moving any debris or removing damaged belongings, make sure to take photos or video of the damage. Make a list to document these losses. If possible, save damaged items for the representative from your insurance company to review. You should also take reasonable steps to avoid further damage to your home.
- Even following a major disaster, most insurance companies have a time requirement for filing a claim. When calling to report the loss, have your policy

information handy, along with current contact information and your home inventory, if you have one. Ask if your insurer plans to waive or extend claim-filing deadlines.

- A homeowners' policy only covers damage to your home and its contents, and a renter's policy only covers belongings. If your car was damaged, a separate claim will need to be filed with the auto insurer.
- A typical homeowners or renter's policy does not cover flood damage. If you have a policy with the National Flood Insurance Program (NFIP), contact your agent or insurer to file a claim for that policy as well. Damage from a storm surge is considered flood damage.

## The Claims Adjuster

There are two types of claims adjusters: company adjusters, who are sent by your insurance company and public adjusters, who are independent contractors.

- Company adjusters are direct employees of your insurance company. In most cases a company adjuster is going to be the first person to survey the damage to your home. A company adjuster will not charge you for their assessment.
- Public adjusters work for you, the insured, not the insurance company. They are paid from the proceeds of your claims settlement, typically as a percentage of the total amount you receive. Not all states allow public adjusters, but in states where they can work, they must be licensed by the state insurance department. Before engaging a public adjuster, be sure they are licensed and ask for references and qualifications. In addition, the adjuster should provide the fees for these services in writing. You may choose to hire a public adjuster if the claims settlement you get from your insurance company does not meet your expectation. The public adjuster will work with the company to try to negotiate

a better settlement.

## The Claims Process

- After you have filed your claim, the insurance company will arrange to send a claims adjuster to your home to assess the damage. The company adjuster will want to see all the damaged items you have removed from the home and any photos or video you have of things you removed to make the home safe. Generally, the more information you can provide the adjuster about the loss, the faster the claim can be settled.
- The company adjuster will walk through your home to look at the damage. If your home was damaged in a storm they may also want to look at the outside of your home, your roof or your basement.
- The claims adjuster will provide the documentation and their assessment of the loss to your insurance company to help determine your claims settlement.
- If your insurance company is not responding promptly to your claim, do not hesitate to call the claims department and find out if an adjuster has been assigned. Verify that they have your correct contact details, especially if you have had to evacuate your home. Your state has rules governing the claims handling practices. Call your state insurance department if you do not think your insurance company is responding quickly enough, or completing a reasonable investigation of your claim.
- If there are disagreements between you, the insurer and the adjuster, first try to resolve them with your insurer. Do not feel rushed or pushed to agree with something you are not comfortable with. It might help to have your contractor meet with you and the insurance adjuster. If you cannot reach an agreement with the company, call your state insurance department to see if you have an arbitration or mediation option.

- If you hire a public adjuster, they will review your insurance policy and then go through the same process of documenting and assessing the loss to your home. This may include a builder's quote of the cost to rebuild, or even surveying the costs of items in the area to determine if they have increased since a widespread disaster.

## Payment of the Claim

- When it comes to paying your claim, you may receive multiple checks. The first will likely be an emergency advance on the larger payment. The payment for the contents or personal property will be made out to you. However, if there is a mortgage on your home, the payment for structural damage may be payable to you and your mortgage holder. Lenders may put that money into an escrow account and pay for the repairs as the work is completed.
- If the contractor finds hidden damage that was not discovered in the original assessment, contact your insurance company to resolve the difference. The adjuster and the contractor may choose to meet at the house to review the newly discovered damage. If you cannot resolve the difference, contact your state insurance department to see what recourse you have.
- Even after you have settled your claim, if you think of items that were not in your initial loss list, contact your insurance company. Unless it has paid the entire limit for the coverage of those types of items, it is possible the company will cover the loss.
- In major disasters federal agencies provide grants and low-interest loans to assist with recovery. Check with the local disaster center or your state insurance department for more information if your loss exceeds the insured value of your home.

For assistance in filing a flood claim with the National Flood

Insurance Program visit: [www.floodsmart.gov](http://www.floodsmart.gov). Consumers without insurance or individuals learn that they do not have enough coverage for the damages their home sustained can register for FEMA assistance at [www.fema.gov](http://www.fema.gov). Additionally, information about the claims process and assistance on insurance matters is also available by contacting our office at 1-800-282-8611 (toll-free instate) or by visiting our website at: [www.delawareinsurance.gov](http://www.delawareinsurance.gov).